

CLASSIFICATION
~~SECRET~~
MESSAGE HANDLING INDICATOR

DATE-TIME GROUP

CITE

MESSAGE REFERENCE NUMBER

CIA/WHSS **SENSITIVE**

SOURCE REF:

CIA/DCI/WHIZWH 741216

1		4		7		10	
2		5		8		11	
3		6		9		12	

TO: IMMEDIATE WHITE HOUSE//SITUATION ROOM FOR MR FAZIO.4
WARNING NOTICE SENSITIVE INTELLIGENCE SOURCES AND METHODS
INVOLVED

ITEM NO: WH-2

DATE: 16 DECEMBER 1974

SUBJECT: CAMBODIA--FRENCH-KHMER COMMUNIST RUBBER TRADE

REF : [REDACTED] 25X1C

[REDACTED] 25X1C

DURING THE
PAST THREE YEARS, THE KHMER COMMUNISTS HAVE ALLOWED RAW RUBBER
TO BE BOUGHT AND TRANSPORTED FROM PLANTATIONS LOCATED IN INSURGENT-
HELD TERRITORY TO KOMPONG CHAM FOR DELIVERY TO PHNOM PENH FOR
PROCESSING AND EXPORT BY THE FRENCH RUBBER COMPANIES. THIS
ARRANGEMENT HAS PROVIDED REVENUES NOT ONLY TO THE COMMUNISTS AND
THE FRENCH, BUT ALSO TO THE PHNOM PENH GOVERNMENT. RUBBER EXPORTS
ACCOUNT FOR MORE THAN 60% OF THE GKR'S FOREIGN EXCHANGE EARNINGS.

PERHAPS PROMPTED BY HIGH WORLD RUBBER PRICES AND THEIR OWN
TIGHT ECONOMIC POSITION, THE KHMER COMMUNISTS ANNOUNCED LAST

DATE:
ORIG:
UNIT:
EXT:

OUTGOING MESSAGE

COMINT

Approved For Release 2000/08/31 : CIA-RDP78S01932A000100190031-4

SIGNAL CENTER USE ONLY
AGE COI ACP TOG TPE MRO DCI TRI
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CLASSIFICATION
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SOURCE REF:

ROUTING	1	4	7	10
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JULY 20 THAT ALL FOREIGN-OWNED {FRENCH} RUBBER PLANTATIONS LOCATED IN INSURGENT TERRITORY WOULD BE NATIONALIZED EFFECTIVE IMMEDIATELY. SUBSEQUENT NEGOTIATIONS WERE CARRIED OUT WITH THE FRENCH RUBBER COMPANIES HEADQUARTERED IN PHNOM PENH THAT BUY THE RUBBER. UNDER THE NEW ARRANGEMENTS, THE COMPANIES PURCHASE SPECIFIED AMOUNTS OF RAW RUBBER FROM THE COMMUNISTS IN EXCHANGE FOR STIPULATED COMMODITIES--GENERALLY FOOD AND FUEL--AND SMALL AMOUNTS OF CASH.

IT IS NOT KNOWN HOW MUCH RUBBER HAS BEEN DELIVERED TO PHNOM PENH SINCE NATIONALIZATION. EXPORTS WERE HALTED DURING AUGUST AND SEPTEMBER AND WILL ALMOST CERTAINLY BE BELOW THE 20,000 TONS SHIPPED OUT LAST YEAR. E-2 IMPDET.H

{SPECIAL DISTRIBUTION: EAP DIVE AND NIO [REDACTED] 25X1A

DATE: 16 DEC 74
ORIG: [REDACTED] WHSS 25X1A
UNIT: CIA OPS CTR
EXT: 9340